

February 4, 2005

VIA ELECTRONIC FILING

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Re: Report – CC Docket No. 96-128

Dear Ms. Dortch:

Please find attached the Management Assertion and the Report of the independent auditors of Choice One Communications Inc. that were submitted electronically for filing with the FCC today in connection with the above-referenced docket. Please place them on the record in that proceeding.

If you have any questions, please contact me at 202-974-5645.

Very truly yours,



Dana Frix
Kemal Hawa

cc: Elizabeth J. McDonald, Esq.
Jeffrey C. Parnell, Esq.

INDEPENDENT ACCOUNTANTS' REPORT

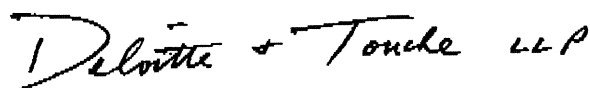
Audit Committee of the Board of Directors
Choice One Communications, Inc.
Rochester, NY

We have examined management's assertion, included in the accompanying "Representation of Compliance with FCC Order Docket Number 96-128," that Choice One Communications, Inc. ("Choice One") complied with 47 C.F.R. Section 64.1310, as discussed in the Federal Communications Commission's (the "FCC") Report and Order in CC Docket No. 96-128, released on October 3, 2003, regarding *The Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996* (the "Order"), as of September 30, 2004. Management is responsible for Choice One's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about Choice One's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Choice One's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Choice One's compliance with specified requirements.

In our opinion, management's assertion that Choice One complied with the aforementioned requirements as of September 30, 2004, is fairly stated, in all material respects, based on criteria set forth in Section 64.1320(c) of the FCC's Code of Federal Regulations and in management's assertion.

This report is intended solely for the information and use of the management of Choice One, the FCC, applicable facilities-based long distance carriers and applicable payphone service providers identified in Section 64.1320(b) and is not intended to be and should not be used by anyone other than these specified parties.



January 31, 2005

Choice One Communications Inc.
Representation of Compliance with FCC Order Docket Number 96-128

Management of Choice One Communications Inc. ("Choice One" or the "Company") is responsible for establishing and maintaining the internal controls over Choice One's payphone call tracking system necessary for compliance with 47 C.F.R. Section 64.1310 *et seq.*, as discussed in the Federal Communications Commission ("Commission" or "FCC") Report and Order released in CC Docket No. 96-128 on October 3, 2003 ("Report and Order").

Choice One, in accordance with Sections 64.1320(c), (d) and (e) of the Commission's Rules, makes the following representation regarding its compliance with the Commission's Rules set forth in Section 64.1300 *et seq.* Management has used the criteria set forth in Section 64.1320(c) of the Commission's rules as a framework in order to evaluate the Company's compliance with the payphone compensation requirements. Based on this evaluation, we assert that as of September 30, 2004, the Company complies with the applicable requirements stated in 47 C.F.R. Section 64.1310 in all material respects as described below. Choice One provides the following information regarding its compliance:

Responsible Personnel and Dispute Resolution

Choice One has identified personnel responsible for drafting and maintaining the business requirements associated with call tracking, payphone compensation, and resolving disputes concerning telephone calls that originate from an active, legitimate payphone and complete to the called party ("completed payphone calls"). The Company representative responsible for supervising and overseeing the administration of the process is:

NAME – Rick Pigeon
TITLE - Vice President II, Billing Services
ADDRESS – 2150 Holmgren Way, Green Bay, WI 54304
PHONE – 920.965.7434
FAX – 920.965.7519
EMAIL – rpigeon@choiceonecom.com

However, the direct Company contact for questions or disputes concerning payphone compensation is :

NAME – Stephanie Sheedy
TITLE - Billing Analyst
ADDRESS – 2150 Holmgren Way, Green Bay, WI 54304
PHONE – 920.965.7524
FAX – 920.965.7519
EMAIL – ssheedy@choiceonecom.com

Choice One represents the following facts regarding its role as the Completing Carrier as defined in the Report and Order. These facts are in fulfillment of the obligation of Choice One as described at 47 C.F.R. Section 64.1320(c) :

A. Choice One's procedures accurately track calls to completion:

Choice One utilizes payphone Automatic Number Identification ("ANI") lists that are sent to the Company on a quarterly basis by PSPs or PSP associations to identify compensable payphone ANIs. The payphone FLEX ANI digits of 27, 29, or 70, should be included with each completed payphone call record; however, due to originating local exchange carrier switch inconsistencies, the data is captured but not utilized in order to determine compensation. As long as the ANIs are valid and reported to Choice One, compensation will occur for completed payphone calls from such ANIs.

If an eligible call is completed but the originating ANI is not on the PSP payphone ANI list, the call is stored in the 18-month retro files. If the Payphone Service Provider ("PSP") reports to Choice One the ANI within the 18-month timeframe, and such ANI is accurate and compliant, compensation will occur.

Choice One's procedures for identifying PSPs are complete and accurate.

B. Choice One has identified persons responsible for tracking, compensating and resolving disputes concerning completed payphone calls:

1. Choice One has identified personnel responsible for the development and maintenance of the business requirements associated with call tracking, payphone compensation, and resolving disputes concerning completed payphone calls.
2. Choice One has identified personnel responsible for the development and maintenance of systems used in the collection and reporting of payphone call data.
3. Choice One has identified personnel responsible for the implementation and maintenance of procedures that are utilized in creating final compensation data sets.
4. Choice One has identified personnel who are responsible for developing compensation tracking reports.
5. Choice One has identified personnel who are responsible for payphone compensation dispute resolution.

C. Choice One has effective data monitoring procedures:

1. Choice One stores records associated with payphone calls on a daily basis.

2. Choice One has the ability to prepare quarterly reports on payphone call counts, PSP identities and numbers dialed and completed.
 3. Choice One performs data monitoring procedures on call record volumes entering the payphone compensation systems.
 4. Choice One has the ability to investigate and resolve PSP disputes.
 5. Choice One call records are maintained in an electronic warehouse for 18 months.
- D. Choice One adheres to established protocols to ensure that any software, personnel or any other network changes do not adversely affect its payphone tracking ability:**
1. Choice One has effective and functioning security controls in place to control access to and monitor call tracking data.
 2. Choice One has effective and functioning controls in place to ensure network changes made will not impact the compensation of payphone compensable calls.
 3. Choice One has effective and functioning security controls in place to control access to and monitor the payment disbursement system.
- E. Choice One creates a compensable payphone call file by matching call detail records against payphone identifiers:**
1. Choice One utilizes switch data and database lookups to populate the date, originating ANI, dialed number, and aggregate data into a Compensable Call File.
 2. A compensable call for Choice One is one originating at a payphone and completed by Choice One to the called party.
 3. Choice One uses payphone ANI lists to identify a compensable payphone call record.
 4. Choice One applies validation and control procedures to compile the compensable call file.
 5. Choice One uses a per call rate of \$.494 for compensating PSPs.
 6. Choice One's network does not permit completion of 0+ calls originated by payphones and 0+ calls translted into an 8xx access number.

Excluded Payphone Calls

Choice One has procedures and criteria used to identify incomplete or otherwise non-compensable calls:

1. Choice One excludes calls for which answer supervision is not received.
2. Choice One excludes calls for which compensation has already been paid to a PSP.
3. Choice One excludes calls originating from an ANI that is not contained on the ANI lists received from the PSPs, and calls originating from an ANI that is claimed by two different PSPs.
4. Choice One excludes calls where Choice One has a written agreement with the Intermediate Carrier.

F. Choice One has procedure to incorporate call data into required reports:

1. Choice One systems are able to generate the reports required on a quarterly basis as follows:
 - a) A list of the toll-free and access numbers dialed and completed from each PSP payphone ANI.
 - b) The volume of calls for each toll-free and access number completed by Choice One to the called party.
 - c) The name, address, phone number, and CIC or routing trunk group of all facility based Interexchange Carriers that route calls to Choice One where alternate written compensation arrangements have not been established (Intermediate Carrier).
 - d) Choice One maintains a valid list of payphone ANIs for each reporting period.

G. Choice One has implemented procedures and controls needed to resolve payphone compensation disputes:

1. Choice One has the ability to investigate and resolve PSP disputes, which includes dispute databases, escalation procedures, and other data required to resolve disputes from the PSP.
2. Choice One has designated personnel who are responsible for payphone compensation dispute resolution.

3. This Representation includes the name, address and phone number associated with the person responsible for handling payments and resolving disputes. This statement will be updated within 60 days of any changes.

H. Choice One has contracted an independent third-party auditor to test critical controls and procedures to verify that errors are immaterial :

1. Choice One has procedures to identify payphone originated calls.
2. Choice One has procedures to identify completed payphone calls.
3. Choice One has procedures to accurately populate call record data in the Compensable Call File.
4. Choice One has procedures to determine the identities of the PSPs to which it owes compensation.

I. Choice One has in place adequate and effective business rules for implementing and paying payphone compensation, including rules used to : (i) identify calls originated from payphones ; (ii) identify compensable payphone calls ; (iii) identify incomplete or otherwise non-compensable calls ; and (iv) determine the identities of the payphone service providers to which Choice One owes compensation:

1. Choice One has business rules that identify calls originated from payphones.
2. Choice One has business rules that identify compensable payphone calls.
3. Choice One has business rules that identify incomplete or otherwise non-compensable calls.
4. Choice One has business rules to determine the identities of the PSPs to which Choice One owes compensation.


J. Required Disclosures pursuant to § 64.1320(d)

Choice One represents the following facts regarding its Long Distance Operations in its role as the Completing Carrier. These facts fulfill the obligations of Choice One as specified in 47 C.F.R. Section 64.1320(d):

1. Choice One's criteria for identifying calls originated from payphones include the use of the payphone ANI list provided by the PSPs or PSP Associations.

2. Choice One's criterion for identifying a completed payphone call is the supervisory signal received from the terminating local exchange provider, displayed by the answer indicator on the call detail record.
3. Choice One criteria for identifying incomplete or otherwise noncompensable payphone calls include calls for which answer supervision is not received, calls for which compensation has already been paid to a PSP, calls originating from an ANI that is not contained on the ANI lists received from the PSPs, and calls where Choice One has a written agreement with the Intermediate Carrier.
4. Choice One's criterion used to determine the identities of the PSPs to which Choice One owes compensation is based on the receipt of ANI lists from the PSP or PSP associations.
5. Choice One does not use a clearinghouse for payphone compensation.
6. The types of information that Choice One needs from the PSPs in order to compensate for completed payphone calls are ANI list, payphone owner, payment remittance address and contact information.
7. Choice One stores all required data for 18 months, including date and time of every call that could possibly result in a compensable call. This includes all completed toll free calls.

In summary, Choice One has in place the appropriate procedures and tracking system to fully comply with the Commission's payphone compensation.



Ajay Satherwal
Chief Financial Officer
Choice One Communications Inc.

January 31, 2005